

NJ TRANSIT

**BOARD ADMINISTRATION COMMITTEE MEETING
OPEN TO MEMBERS OF THE PUBLIC**

WEDNESDAY, NOVEMBER 15, 2017

2:30 PM

**ONE PENN PLAZA EAST
9TH FLOOR BOARD ROOM
NEWARK, NJ 07105**

**NJ TRANSIT BOARD
ADMINISTRATION COMMITTEE MEETING
OPEN TO MEMBERS OF THE PUBLIC**

**WEDNESDAY, NOVEMBER 15, 2017
2:30 PM – BOARD ROOM – 9TH FLOOR – NEWARK, NJ**

PUBLIC COMMENTS ON AGENDA (Two minutes per speaker)

BOARD ITEMS

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EXTENSION OF HEALTHCARE CARRIER CONTRACT: HORIZON BLUE
CROSS/BLUE SHIELD OF NEW JERSEY
(*PRESENTER: LORRAINE COLARUSSO*)

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EXTENSION OF PRESCRIPTION DRUG CARRIER CONTRACT EXPRESS
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(*PRESENTER: LORRAINE COLARUSSO*)

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STAFF REPORT

FINANCIAL UPDATE
(*PRESENTERS: MICHAEL LIHVARIK/AL TILLOTSON*)

***NO MATERIAL ATTACHED**

**ITEM 1712-XX: EXTENSION OF HEALTHCARE CARRIER CONTRACT:
HORIZON BLUE CROSS/BLEU SHIELD OF NEW JERSEY**

BENEFITS

Authorization is requested to exercise the first one year renewal option based on the January 2017 Board approval of the Administrative Service Only (ASO) NJ TRANSIT Contract No. 10-120 with Horizon Blue Cross/Blue Shield of New Jersey, the carrier who currently administers the Medical, Dental, Mental Health and Flexible Spending Account plans for all NJ TRANSIT agreement and non-agreement employees and retirees. This contract will provide uninterrupted healthcare benefit programs for a one year period, from January 1, 2018 through December 31, 2018 during the current and active Request for Proposal (RFP) process.

ACTION (Scorecard: Financial Performance, Corporate Accountability)

NJ TRANSIT seeks authorization to extend NJ TRANSIT Contract No. 10-120 with its current healthcare carrier, Horizon Blue Cross/Blue Shield of New Jersey, including Medical, Dental, Managed Mental Health and Flexible Spending administration, beginning January 1, 2018, to ensure continuation of coverage for NJ TRANSIT employees and retirees and eligible dependents with administrative costs through December 31, 2018 not to exceed \$5,600,000, subject to the availability of funds.

PURPOSE

The extension of this contract will allow uninterrupted Medical, Dental, Mental Health and Flexible Spending Account plan coverage and claims administration for all NJ TRANSIT's active and retired employees through December 31, 2018, the first year of the two one-year option years.

BACKGROUND

In 2017, Horizon presented NJ TRANSIT with improved administrative fee pricing, continued favorable performance guarantees as well as annual administrative credits for Wellness initiatives and communications services. These concessions coupled with Horizon's long standing relationship with NJ TRANSIT contributed to NJ TRANSIT management to consider the extension presented in this Board Item.

In January 2017, the Board approved a one year contract extension through December 31, 2017, with two one-year options for calendar years 2018 and 2019 subject to future Board approval.

FISCAL IMPACTS

Requested Authorization:

Plan administration cost:

Medical/Mental Health/FSA \$5,200,000 per year for calendar year 2018

Dental: \$400,000 per year for calendar year 2018

Past Authorizations:

Medical/Dental/Mental Health/FSA \$5,600,000 - January 2017

Expenditures to Date: \$4,030,000 (as of 9/30/2017)

Total Project Cost: \$5,600,000 projected cost for calendar year 2018 Medical/Dental/Mental Health/FSA

Projected Date of Completion: December 31, 2018

Capital Program Amount: N/A

Operating Budget Amount: \$5,600,000

Anticipated Source of Funds: Operating Budgets: FY 2018

PRINTS ID Number: N/A

DBE/SBE Goals: 0% SBE

***NJ Build* Amount:** N/A

Related/Future Authorizations: N/A

Impacts on Subsequent Operating Budgets: N/A

**PROPOSED
RESOLUTION**

WHEREAS, NJ TRANSIT provides group healthcare plans to its active and retired agreement and non-agreement employees; and

WHEREAS, Horizon Blue Cross/Blue Shield of New Jersey has agreed to continue the current performance guarantees and annual administrative credits for Wellness initiatives and communications services of \$250,000 and \$100,000, respectively through the new extension period. These credits total \$1,050,000 over the one year extension and the two one-year optional extension periods subject to Board approval, for the three-year period; and

WHEREAS, NJ TRANSIT wishes to ensure the continuation of healthcare plan coverage for its active employees and retirees during this period;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to extend NJ TRANSIT Contract No. 10-120 with its current healthcare carrier, Horizon Blue Cross/Blue Shield of New Jersey, including Medical, Dental, Managed Mental Health and Flexible Spending administration, beginning January 1, 2018, to ensure continuation of coverage for NJ TRANSIT employees and retirees and eligible dependents with administrative costs through December 31, 2018 not to exceed \$5,600,000, subject to the availability of funds.

**ITEM 1712-XX: EXTENSION OF PRESCRIPTION DRUG CARRIER CONTRACT:
EXPRESS SCRIPTS**

BENEFITS

Authorization is requested to exercise the first one-year renewal option based on the January 2017 Board approval for the Administrative Service Only (ASO) NJ TRANSIT Contract No. 10-121 with Express Scripts, the carrier that currently administers prescription drug plans for all NJ TRANSIT agreement and non-agreement employees and retirees. This contract will provide uninterrupted prescription drug coverage for a one year period; January 1, 2018 through December 31, 2018, during the current and active Request for Proposal (RFP) process.

ACTION (Scorecard: Financial Performance, Corporate Accountability)

NJ TRANSIT seeks authorization to extend NJ TRANSIT Contract No. 10-121 with its current prescription drug carrier, Express Scripts for a period of one year, beginning January 1, 2018, to ensure continuation of coverage for NJ TRANSIT with administrative costs through December 31, 2018 not to exceed \$167,000, subject to the availability of funds.

PURPOSE

The extension of this contract will allow for uninterrupted prescription drug coverage and claims administration for all NJ TRANSIT active and retired employees as well as enable NJ TRANSIT to continue to take advantage of the current improved prescription drug pricing through December 31, 2018, the first year of the two one-year option years.

BACKGROUND

Express Scripts presented NJ TRANSIT with favorable financial terms in the form of improved drug manufacturer discounts and rebates. NJ TRANSIT requested that outside actuaries review the proposal, and, the actuary found the proposal to be fair and reasonable given the volume and type of NJ TRANSIT prescription drug claims. The combination of the pricing concessions and Express Scripts' long standing relationship, contributed to NJ TRANSIT's management to consider the extension presented in this Board Item.

In January 2017, the Board approved a one year contract extension through December 31, 2017, with 2 one year options for calendar years 2018 and 2019 subject to future Board approval.

FISCAL IMPACTS

Requested Authorization:

Plan Administration Cost: \$167,000 per year for calendar year 2018
Prescription Drug Plan

Past Authorizations: \$167,000 - January 2017

Expenditures to Date: \$135,000 (as of 9/30/2017)

Total Project Cost: \$167,000 projected for calendar year 2018

Projected Date of Completion: December 31, 2018

Capital Program Amount: N/A

Operating Budget Amount: \$167,000

Anticipated Source of Funds: Operating Budgets: FY 2018

PRINTS ID Number: N/A

DBE/SBE Goal: 0% SBE

***NJ Build* Amount:** N/A

Related/Future Authorizations: N/A

**Impacts on Subsequent
Operating Budget:** N/A

**PROPOSED
RESOLUTION**

WHEREAS, NJ TRANSIT provides group prescription drug plans to its active and retired agreement and non-agreement employees; and

WHEREAS, Express Scripts has agreed to increase their drug price discounts and pharmaceutical drug manufacturer rebates that are projected to result in future cost avoidance; and

WHEREAS, NJ TRANSIT wishes to ensure the continuation of prescription drug plan coverage for its active employees and retirees during this period;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to extend NJ TRANSIT Contract No. 10-121 with its current prescription drug carrier, Express Scripts for a period of one year, beginning January 1, 2018, to ensure continuation of coverage for NJ TRANSIT with administrative costs through December 31, 2018 not to exceed \$167,000, subject to the availability of funds.

FINANCIAL UPDATE



RESULTS OF OPERATIONS
AND
BUDGET VARIANCE ANALYSIS
FISCAL YEAR 2018

MONTH OF AUGUST, 2017

NEW JERSEY TRANSIT CORPORATION
BUDGET-TO-ACTUAL COMPARISON AND VARIANCE ANALYSIS
CONSOLIDATED STATEMENT OF REVENUE AND EXPENSES
FOR THE FISCAL YEAR-TO-DATE ENDED AUGUST 31, 2017

	Fiscal year-to-date		Variance	
	Actuals	Budget	\$	%
<u>Revenues</u>				
Passenger Revenue	\$159,975,082	\$173,906,276	(\$13,931,194)	(8.0)
Other Operating Revenue	16,435,961	15,487,700	948,261	6.1
State Operating Assistance	20,000,000	20,000,000	0	0.0
TTF Capital Maintenance	0	0	0	-
Other Grants and Reimbursements	156,821,607	153,358,047	3,463,560	2.3
Total Revenue	353,232,650	362,752,023	(9,519,373)	(2.6)
<u>Expenses</u>				
Labor	118,849,062	119,964,989	1,115,927	0.9
Fringe Benefits	93,601,450	94,395,747	794,297	0.8
Outside Services	24,330,129	23,628,355	(701,774)	(3.0)
Propulsion	7,980,540	7,555,155	(425,385)	(5.6)
Revenue Vehicle Fuel	9,304,659	10,457,843	1,153,184	11.0
Materials & Supplies	32,723,030	26,070,725	(6,652,305)	(25.5)
Utilities	8,092,510	7,154,912	(937,598)	(13.1)
Claims & Insurance	11,309,262	11,325,615	16,353	0.1
Purchased Transportation	46,625,792	40,237,158	(6,388,634)	(15.9)
Tolls, Trackage & Fees	14,165,685	14,235,102	69,417	0.5
Miscellaneous Expenses	5,367,670	7,726,422	2,358,752	30.5
Total Operating Expenses	372,349,789	362,752,023	(9,597,766)	(2.6)
Net Income/(Loss) From Operations	(19,117,139)	0	(19,117,139)	0.0
<u>Other Income (Expense):</u>				
Debt Cost Reimbursements	0	0	0	0.0
Debt Costs	0	0	0	0.0
Other Uses of Operating Funds	0	0	0	0.0
Total Other Income (Expense)	0	0	0	0.0
Net Income/(Loss)	(\$19,117,139)	\$0	(\$19,117,139)	0.0

Overview:

- The August year-to-date budget-to-actual variance totaled \$19.1 million which includes a total of \$16.8 million in lost revenue and expenses related to the Amtrak repairwork at New York Penn Station. When adjusting for the repairwork, the net month ending variance is reduced to a negative \$2.3 million or 0.6%.

Revenue:

- Passenger revenue for the first two months of fiscal year 2018 was \$13.9 million or 8.0% unfavorable to budget. Of this amount \$8.5 million was the result of Amtrak repairwork at New York Penn Station thereby resulting in a net passenger revenue loss of \$5.5 million or 3.4%.
- Overall, Rail passenger revenues were unfavorable by \$12.1 million (12.0%), Bus passenger revenues were unfavorable by \$1.7 million (2.5%) and Light Rail passenger revenue was essentially on budget.
- Year-over-year ridership decreased 1.5 million passengers or 3.4%. Rail ridership decreased 6.2%, Bus ridership decreased 1.8% and Light Rail ridership decreased 3.8%. Additional revenue and ridership statistics are presented in the Revenue and Ridership section at the end of this report.
- Other revenue was favorable to budget by \$0.9 million, or 6.1%. This was primarily the result of greater than expected advertising revenue, Metro-North service revenue and other non-transportation revenue.
- Other grants and reimbursements were favorable by \$3.5 million or 2.3%. This was the result of favorable reimbursable project revenue such as Data Center upgrades, the purchase of police related body cameras and locomotive top-deck overhauls.

Operating Expenses:

- Labor and fringe benefit costs for the first two months of fiscal year 2018 were essentially on budget.
- Outside services were unfavorable to budget by \$0.7 million, or 3.0%. This variance is comprised primarily of unfavorable project expenses related to the Hoboken Station repairs, Environmental Compliance costs and Data Center upgrades.
- Revenue vehicle fuel costs were favorable by \$1.2 million, or 11.0%. This favorable variance was due to lower than budgeted costs per gallon and consumption of both rail and bus diesel fuel.
- Materials and supplies were unfavorable by \$6.7 million, or 25.5%. Of this amount, \$3.6 million is offset by reimbursable planning and expense funding leaving a net variance of \$3.1 million which is comprised primarily of unfavorable expenses related to

revenue vehicle materials and reconditioned parts such as annual break shoe replacements for the fall season to deal with leaves on the tracks, ALP 45 Top Deck overhauls and the replacement of main inductors on Arrow III rail cars. It is anticipated that this account will be on budget by year-end.

- Utility costs were unfavorable to budget by \$0.9 million, or 13.1%. This variance was due in part to greater than anticipated costs for non-propulsion electricity and water usage.
- Purchased transportation was unfavorable to budget by \$6.4 million, or 15.9% due to the payment of \$7.2 million in added Private Bus and Ferry service costs related to Amtrak repairwork at New York Penn Station.

NJ TRANSIT CORPORATION

REVENUE REPORT

FOR THE MONTH AND FISCAL YEAR-TO-DATE AUGUST 31, 2017

COMPARISON TO BUDGET

Current Month \$		Variance		Division	Fiscal Year to Date \$		Variance	
Actual	Budget	\$	%		Actual	Budget	\$	%
44,007,374	50,058,000	(6,050,626)	(12.09)	Rail Operations	89,087,047	101,187,400	(12,100,353)	(11.96)
34,167,685	34,479,340	(311,655)	(0.90)	Bus Operations (1)	67,120,065	68,808,876	(1,688,811)	(2.45)
1,888,194	1,960,000	(71,806)	(3.66)	Light Rail Operations (2)	3,767,970	3,910,000	(142,030)	(3.63)
80,063,253	86,497,340	(6,434,087)	(7.44)	NJ Transit Total	159,975,082	173,906,276	(13,931,194)	(8.01)

COMPARISON TO LAST YEAR

Current Month \$		Variance		Division	Fiscal Year to Date \$		Variance	
FY '18	FY '17	\$	%		FY '18	FY '17	\$	%
44,007,374	50,428,080	(6,420,706)	(12.73)	Rail Operations	89,087,047	101,521,212	(12,434,165)	(12.25)
34,167,685	34,477,045	(309,360)	(0.90)	Bus Operations (1)	67,120,065	67,438,390	(318,325)	(0.47)
1,888,194	1,980,996	(92,802)	(4.68)	Light Rail Operations (2)	3,767,970	3,994,777	(226,807)	(5.68)
80,063,253	86,886,121	(6,822,868)	(7.85)	NJ Transit Total	159,975,082	172,954,379	(12,979,297)	(7.50)

NOTES:

1. Includes service operated for NJ TRANSIT by Contract Carriers.
2. Light Rail Operations is comprised of HBLR, Newark Light Rail/City Subway and River LINE totals

NJ TRANSIT CORPORATION

RIDERSHIP REPORT

FOR THE MONTH AND FISCAL YEAR-TO-DATE AUGUST 31, 2017

COMPARISON TO LAST YEAR

Current Month		Variance		Division	Fiscal Year to Date		Variance	
FY '18	FY '17	#	%		FY '18	FY '17	#	%
1,619,587	1,870,991	(251,404)	(13.44)	Rail Ridership				
843,415	939,952	(96,537)	(10.27)	M&E Lines	3,328,244	3,778,108	(449,864)	(11.91)
2,463,002	2,810,943	(347,941)	(12.38)	Main & Pascack Lines	1,660,180	1,845,740	(185,560)	(10.05)
				Total Hoboken Division	4,988,424	5,623,848	(635,424)	(11.30)
2,694,411	2,774,577	(80,166)	(2.89)	Northeast Corridor Line	5,333,425	5,533,227	(199,802)	(3.61)
1,277,296	1,306,703	(29,407)	(2.25)	North Jersey Coast Line (1)	2,562,491	2,631,359	(68,868)	(2.62)
539,409	542,883	(3,474)	(0.64)	Raritan Valley Line	1,075,990	1,088,063	(12,073)	(1.11)
4,511,116	4,624,163	(113,047)	(2.44)	Total Newark Division	8,971,906	9,252,649	(280,743)	(3.03)
77,847	81,013	(3,166)	(3.91)	Atlantic City Line	153,055	162,391	(9,336)	(5.75)
7,051,965	7,516,119	(464,154)	(6.18)	Total Rail Ridership	14,113,385	15,038,888	(925,503)	(6.15)
6,139,093	6,200,914	(61,821)	(1.00)	Bus Ridership				
5,434,832	5,504,189	(69,357)	(1.26)	Northern Division	11,862,597	11,971,996	(109,399)	(0.91)
1,708,786	1,820,996	(112,210)	(6.16)	Central Division	10,519,281	10,672,988	(153,707)	(1.44)
				Southern Division	3,338,440	3,538,233	(199,793)	(5.65)
13,282,711	13,526,099	(243,388)	(1.80)	Total Bus Ridership (2)	25,720,318	26,183,217	(462,899)	(1.77)
1,314,603	1,358,120	(43,517)	(3.20)	Light Rail Ridership				
445,331	454,563	(9,232)	(2.03)	Hudson Bergen Light Rail	2,703,579	2,743,785	(40,206)	(1.47)
237,520	263,005	(25,485)	(9.69)	Newark Light Rail/City Subway	853,297	914,371	(61,074)	(6.68)
				River LINE	480,448	520,630	(40,182)	(7.72)
1,997,454	2,075,688	(78,234)	(3.77)	Total Light Rail Ridership (3)	4,037,324	4,178,786	(141,462)	(3.39)
22,332,130	23,117,906	(785,776)	(3.40)	Total NJ Transit Ridership (4)	43,871,027	45,400,891	(1,529,864)	(3.37)

NOTES:

1. Includes Waterfront Connection Ridership
2. Includes service operated for NJ TRANSIT by Contract Carriers.
3. Includes adjusted Light Rail Ridership totals for HBLR, Newark Light Rail/City Subway and River LINE as derived by the Market Analysis and Pricing Department utilizing sales and usage analytics
4. Includes adjustments of prior period estimates to actuals for Rail and Bus Ridership.

August 2017 Passenger Ridership

- August ridership was -3.4% lower than last August, in raw numbers.

Ridership was -2.2% lower than last year when factoring out calendar differences, major weather incidents and special events (*Adjusted Percent Change*).

NY Penn Station issues have compounded diminishing ridership trends.

Through December 2016 the annual Rail ridership trend was -0.6%, Bus -2.8%, system total -1.5%.

In the eight months since, the Rail trend has worsened to -3.5%, while Bus has shown slightly less decline at -2.4%. The system decline has expanded to -2.8% for that period of time.

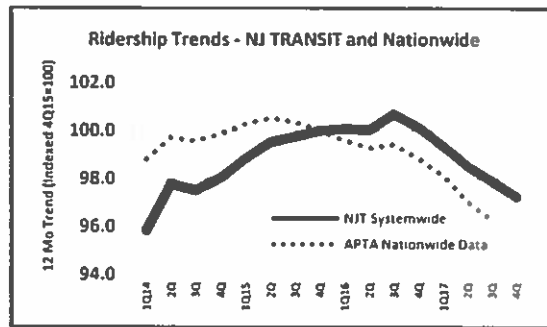
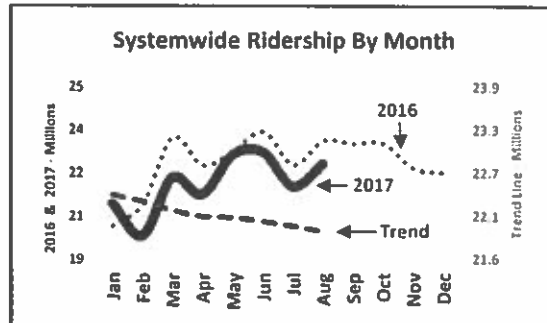
- Latest 12 months ridership collectively has totaled 263.4 million passenger trips, -3.0% lower than the 12 months prior to that.
- Even with declining trends, NJ TRANSIT ridership continues to outpace national transit ridership.

Through the 3rd quarter of fiscal year 2017 (latest data available on nationwide transit use) NJ TRANSIT rider levels were +2.2% higher than those at the 1st quarter of fiscal year 2014, while transit use nationwide was -2.6% lower for the same time period.

Nationally transit ridership peaked in the 2nd quarter of fiscal year 2015, while NJ TRANSIT ridership peaked 15 months later in the 3rd quarter of fiscal year 2016.

Passenger Ridership (millions)	August 2017	August 2016	Raw Percent Change	Adjusted Percent Change
Bus	13.3	13.5	(- 1.8%)	(- 1.2%)
Rail	7.1	7.5	(- 6.2%)	(- 3.5%)
Light Rail	2.0	2.1	(- 3.8%)	(- 3.8%)
Total	22.3	23.1	(- 3.4%)	(- 2.2%)

Passenger Ridership (millions)	Latest 12 Months This Year	Latest 12 Months Last Year	Percent Change
Bus	153.8	158.4	(- 2.9%)
Rail	86.0	88.9	(- 3.3%)
Light Rail	23.6	24.1	(- 2.1%)
Total	263.4	271.4	(- 3.0%)

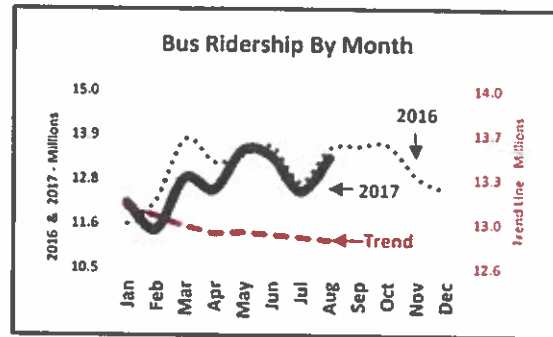


Bus Ridership

- August Bus ridership was -1.8% lower than last year, in raw numbers.

-1.2% lower than last August when adjusted for distortions caused by calendar differences, major weather incidents and special events.

NY Interstate Bus routes ridership during August was up +2.2%; North Jersey in-state travel was down -3.9%; South Jersey routes -6.2% lower; seasonal routes -18.3%.



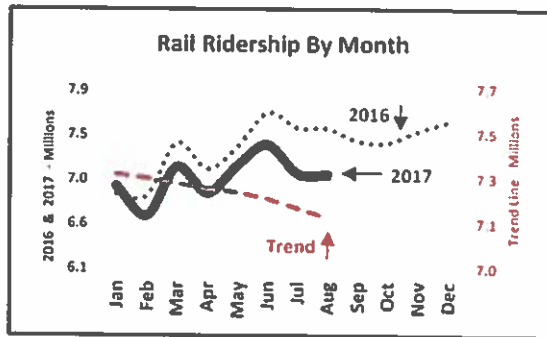
Rail Ridership

- August Rail ridership -6.2% lower than last year, in raw numbers.

-3.5% lower than last August when adjusted for distortions.

Amtrak's NY Penn Station Renewal Project, which saw Morris & Essex NYPS service rerouted to Hoboken, resulted in considerable ridership changes among Rail terminals:

- NY Penn (- 21.3%)
- Newark Penn +1.7%
- Hoboken +95.1%
- Rail Terminals (- 4.9%)



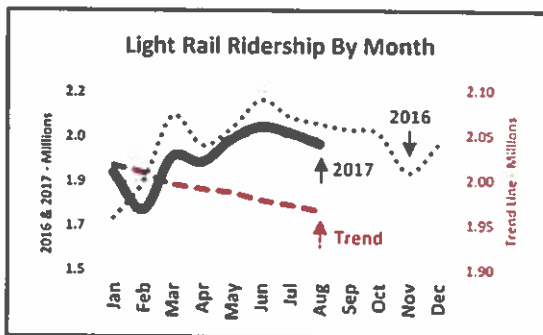
Light Rail Ridership

- August Light Rail ridership -3.8% below last year.

- HBLR (- 3.2%)
- Newark Light Rail (- 2.0%)
- River LINE (- 9.7%)

August Light Rail declines centered on weekdays, where ridership was -4.3% below last year.

Weekend travel was unchanged from last year.



New York City Market Ridership

- August New York City Market ridership -1.6% below last year.
- Morris & Essex NY Penn train service was rerouted to Hoboken starting in July due to Amtrak's Penn Station Renewal project. Rail NYC trips have declined faster during July and August than in prior months, though Bus NYC travel has shown improved gains.

	Prior 3 Months	July+August
Bus	+1.6%	+2.0%
Rail	(- 2.7%)	(- 4.8%)
Bus+Rail	(- 0.7%)	(- 1.7%)

- Trend shows slight decline overall.

North Jersey Market Ridership

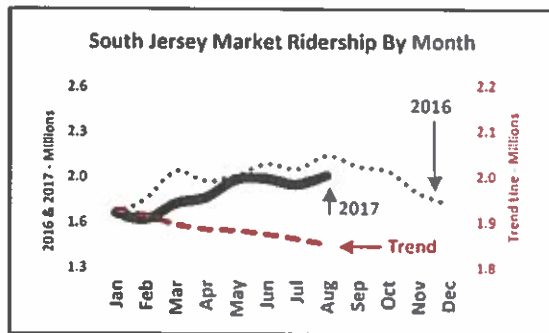
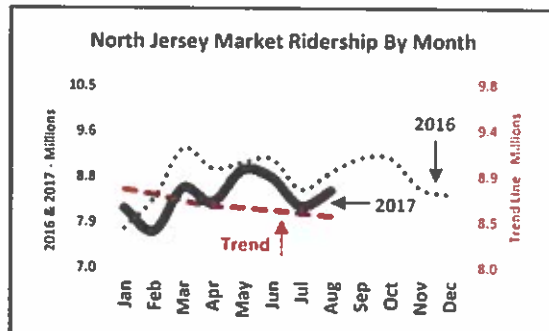
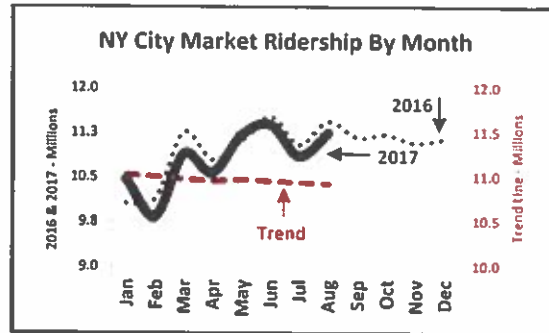
- August in-state North Jersey travel -4.0% below last year.
- North Jersey ridership declines have been smaller than those seen last fiscal year.

FY 2017	(- 4.5%)
Latest 3 Months	(- 3.9%)
August	(- 4.0%)

- Trend shows continuing though slowly diminishing decline.

South Jersey Market Ridership

- August South Jersey ridership -6.9% below last year.
- Trend shows diminishing South Jersey ridership since the 2nd quarter of fiscal year 2013.



Fiscal Year 2017 Ridership Recap

- FY 2017 ridership totaled 265 million passenger trips, -2.9% lower than the prior year.
 - FY 2017 NJ TRANSIT travel was the lowest since FY 2013's 261 million.
 - Regional employment levels averaged +1.6% higher than FY 2016.
 - Inflation adjusted regional gasoline prices averaged +5% higher than last year, though were still -40% lower than FY 2012.
- FY 2017 average daily ridership was 917,700 on weekdays, 694,450 on weekends (Saturday + Sunday).

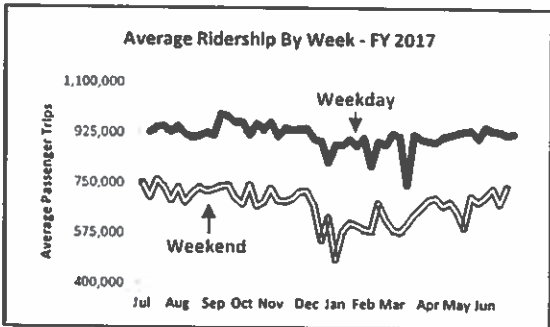
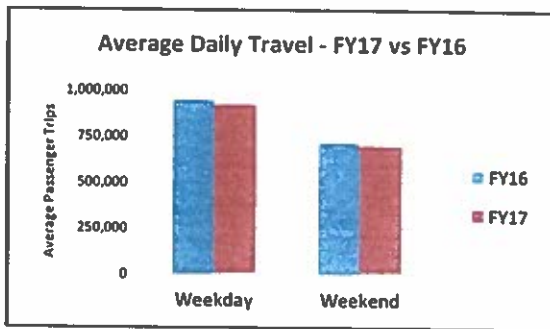
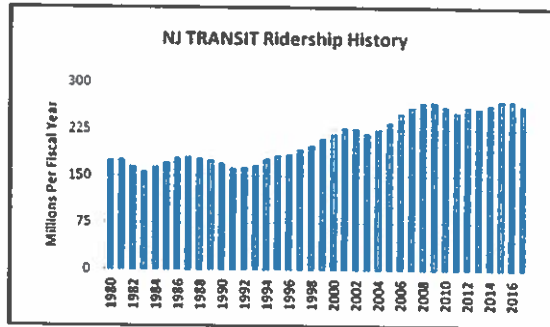
Weekdays declined an average of -26,700 trips from last year or -2.8%.

The heaviest traveled week during the fiscal year was September 12-16, 2016 with an average 992,000 passenger trips per weekday.

Weekends (Saturday + Sunday) declined an average of -21,900 trips or -3.1%.

The busiest weekend during the fiscal year was July 16-17, 2016, when a total 763,000 passenger trips were carried.

- New York City market ridership decreased -0.8% during FY 2017; North Jersey travel declined -4.5%; South Jersey ridership was -7.2% lower than last year.



Market Ridership (millions)	Fiscal Year 2017	Fiscal Year 2016	Percent Change
New York City	131.5	132.5	(- 0.8%)
North Jersey	102.7	107.5	(- 4.5%)
South Jersey	22.5	24.2	(- 7.2%)
Other	8.2	8.5	(- 2.5%)
Total	264.9	272.7	(- 2.9%)

August 2017 Ridership Report

Weather

- Cool and wet for August; temperatures averaged below normal; instances of precipitation were well higher than the average of the past decade; total rainfall quantity was almost +50% higher than normal.
- Temperatures were much cooler than last August. There were a third more instances of rain this year than last August.

August saw 12 days with rain; last year 9 days; past decade has averaged 9.1 August rain days.

Calendar & Special Events

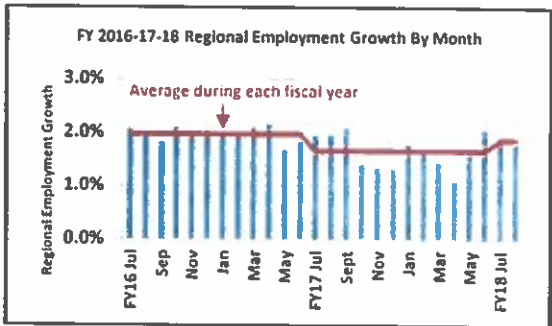
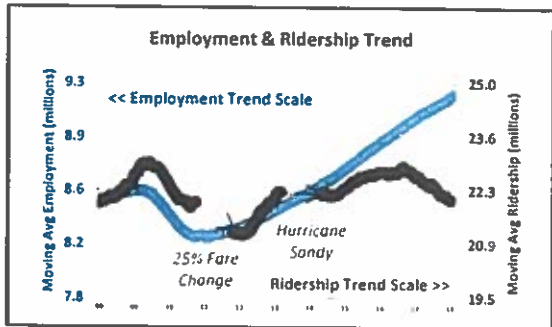
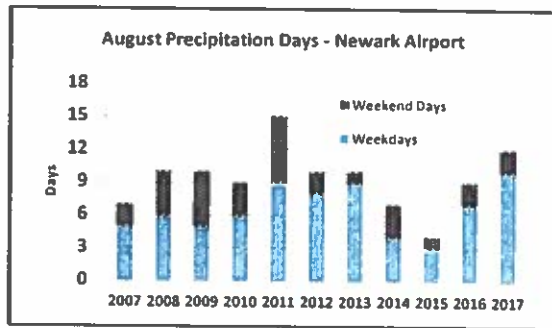
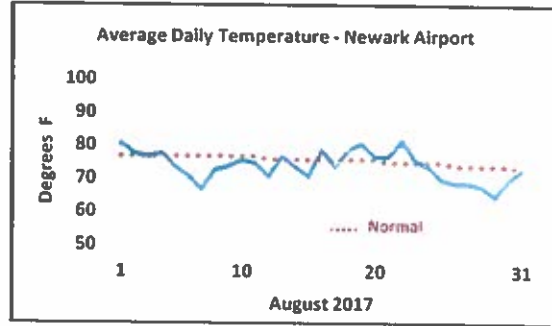
- There were the same number of weekdays, Saturdays and Sundays as last August.
- There were significantly fewer MetLife Stadium events than last year. Counted Rail passenger trips totaled 42,300, compared against 99,300 last August, a -57% drop.

Economy

- Preliminary August employment data shows regional employment growth of +1.8%, exceeding the last fiscal year's average of +1.6%

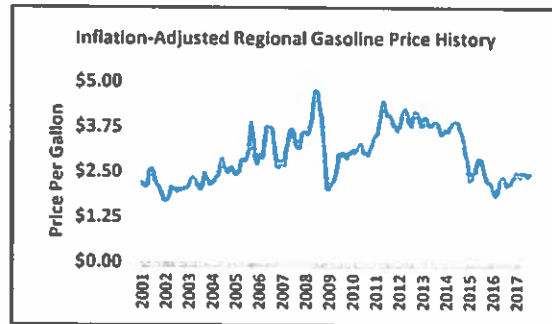
NY City	+2.1%
New Jersey	+1.4%
Philadelphia	+2.3%
Region	+1.8%

- Nationally, employment during August was +1.5% higher than last year.



Gasoline Prices

- August regional gasoline prices were +14% higher than last August. Year-over-year gas prices have risen during the past ten months, following 28 consecutive months of price declines that had totaled -43%.
- New Jersey's gasoline tax had increased November 1, 2016.
- Even with the hike in the NJ gas tax, inflation-adjusted August prices were still -33% lower than three years ago and -37% lower than four years ago.



Vehicle Miles Traveled (VMT) on NJ Roads

- June (latest available data) New Jersey VMT as calculated by the USDOT Federal Highway Administration was +0.4% higher than one year earlier.
- During the past 12 months NJ VMT has been +0.2% higher than the 12 months before that.
- NJ VMT peaked during the 12 months ended in February 2017, not long after the NJ gasoline tax was increased.

